



Corporate America's Role in the Progressive Takeover

In their long march to transform America, the radical left systematically took control of key institutions. Step by step the left took over universities, public education, the media, entertainment, the federal bureaucracy, Wall Street, Big Tech and other big corporations. The radical takeover used the rhetoric of social justice to persuade many Americans that the takeover was about good intentions, when it was really about power and greed.

These gains by the left were abetted by self-serving financial elites, philanthropic foundations, and well-placed allies in the media and education. As a result, conservative political victories were transitory, because they were built on cultural quicksand.

The radical takeover was not coordinated by a single master puppeteer or conspiratorial group (although the role of George Soros and his spider web of activist groups should not be discounted), but proceeded incrementally to advance a so-called progressive agenda to shift control from individuals and communities to the state and elite power. Overturning this movement will not occur overnight.

There have been many contributors to the left's progress since the 1960s. *Corporate America made common cause with the left comparatively recently* and will be the focus of this essay. The silver lining of this cloud on our body politic is that consumers have some ability to take their business elsewhere.

The Elitist Worldview

The hard-core new progressives are not your grandfather's old-time liberals. They are radical visionaries pushing a revolution. The new progressives seek not to reform capitalism but to replace it with a new oligarchical order composed of global corporations and political allies. Educated in monocultural schools, our untitled but entitled aristocrats view average Americans of all races as ignorant and misguided in their patriotism and traditional values of family, church, community and self-reliance. They justify their will to power in the belief that the nation is inherently racist; the U.S. Constitution is an articulation of privilege; traditional religious values are an expression of ignorance; and individualism and community control are antiquated concepts.

They believe that the world stands before an environmental apocalypse and ordinary citizens worry too much about jobs and family budgets. "Let us guide you," is their mantra. "Just give us power and you will see a better, more prosperous and just world. We are enlightened, better schooled, profit makers, and globally connected."¹

Radical progressives envision a world without national borders, encouraging the free movement of people across borders, with supra-national institutions such as the European Union, the World Health Organization, international courts of law and the United Nations making key policy decisions. Nationalism is despised. They use language of equity and racial and social justice, but theirs is a hierarchical world with them in power.² In their hubris, they have convinced themselves that the masses remain ignorant, mis-educated and myopic in their understanding of racial and social justice and the environmental crisis confronting the world.

Within this power structure, differences arise as to strategy in attaining the new world order that the progressive elites seek. National interests in their home countries lead to policy differences among them. But in the end, the elites seek power and control at the expense of average people, who are to be led, occasionally heard if they become too discontented, and even allowed to vote if the regime declares itself a democracy. Voting itself, though, is to be manipulated in multiple ways through social media, loose voting rules, and media and educational propaganda.

America's ruling elite consists of large corporations, philanthropic foundations, media, entertainment, and bureaucratic and education elites which share a vision of "enlightened" leadership.³ They represent a loose formation of shared interests—all of which look to big government and a progressive political class to transform the nation.

In the last four presidential elections Wall Street gave the Democratic candidates Barack Obama, Hillary Clinton and Joe Biden vast amounts of money to fund their campaigns. The nonpartisan Center for Responsive Politics reported that people employed in the securities and investment industry (referred to as Wall Street) gave Biden's 2020 candidacy more than \$74

million,⁴ compared with only \$18 million to Trump, a paltry sum for an incumbent president. Wall Street backed Obama's presidential campaign in 2008 (providing a third of his campaign funds) and his reelection campaign in 2012. In 2016, Democratic presidential candidate Hillary Clinton raked in \$87 million from Wall Street, versus only \$20 million given to then-candidate Trump.

Big Tech proved even more lopsidedly Democratic than Wall Street in 2020, when *98 percent of Big Tech employee donations went to Democrats*. Moreover, Facebook's Mark Zuckerberg donated \$350 million to local government election offices to "get out the vote" in critical Democrat-leaning precincts.⁵

Candidate Biden outdid both Obama and Clinton in hitting up financial and corporate America.⁶ The Biden campaign cultivated big corporate donors such as Evercore founder Roger Altman, longtime investor Blair Effron, Blackstone chief Jonathan Gray and former Citigroup executive Ray McGuire. Biden received big money support from the hedge fund Paloma People and the investment firm Renaissance Technologies. The founder of Renaissance Technologies, Jim Simons, gave at least \$7 million to two super-PACs backing Biden.

Big Tech's Alignment with the Left

Even more than Wall Street, Big Tech companies—Google, Amazon, Twitter, et al.—have revealed themselves as aligned with the progressive wing of the Democratic Party. The Obama campaign in 2008 tapped Big Tech to develop a huge and sophisticated database for his presidential run. In 2020, though, Big Tech came out fully from behind the curtain. In the weeks leading up to the November election, Facebook and Twitter banned from their social media platforms a major newspaper, the *New York Post*, when it reported on the discovery of Hunter Biden's laptop which contained damaging evidence about the Bidens.⁷ Presidential candidate Joe Biden denounced the report as Russian propaganda, and 50 former intelligence officers disgraced themselves by signing a letter outlining their belief that laptop story was Russian disinformation.⁸

During the presidential campaign Twitter blocked President Trump's account. Facebook, Twitter and other social media blocked user posts on Covid-19, racial issues, the campaign and the post-election, declaring that the posts went against community standards. Amazon took down books for sale that questioned the effects of transgender surgery on adolescents. Even Dr. Seuss books were deemed racist. Amazon went so far as to stop hosting Parler, another social media site, when many Facebook and Twitter users began to flee to that site.⁹

Without doubt, Big Tech is woke. It benefits from Section 230 of the federal Communications Decency Act, which states:

No provider or user of an interactive computer service shall be treated as the publisher or speaker of any information

provided by another information content provider.... No provider or user of an interactive computer service shall be held liable on account of... any action voluntarily taken in good faith to restrict access to or availability of material that the provider or user considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, or otherwise objectionable, whether or not such material is constitutionally protected....

What this means in practice is that tech companies operating interactive services such as social media are protected from lawsuits concerning statements made by third parties on their service; and the tech company's "good faith" removal or moderation of "objectionable" third-party statements does not affect its protected status.

Defenders of Big Tech censorship argue that these companies are private and do not have to uphold principles of free speech. Donald Trump has filed a lawsuit making a contrary argument. Big Tech lobbyists are adamant about stopping any legislation to break up their monopolies or to treat social media sites like public utilities or common carriers. Common carriers such as railroads and telephone companies may not ban a user for thinking, for example, that the world is run by aliens.

Some defenders of Big Tech maintain that technology is ever-changing and Big Tech companies will ultimately be challenged by new companies and new technology. Perhaps, but at the moment Google's search engine accounts for 90 percent of the market; Amazon controls 80 percent of the digital book market; those two companies and Twitter and Facebook have enormous market capitalizations.¹⁰ They are behemoths not easily challenged, and they are *de facto regulators of free speech* in this country.

Vivek Ramaswamy, a successful young American tech entrepreneur and author of the forthcoming book *Woke, Inc.*, calls out the embrace by big corporations of "wokeism." In recent years "Big Tech effectively agreed to censor—or 'moderate'—content that the woke movement didn't like," and in return the left "agreed to look the other way when it comes to leaving Silicon Valley's monopoly power intact," he told the *Wall Street Journal*. He names top executives of BlackRock, Coca-Cola, Delta, Salesforce, Nike and Unilever as cardinals of wokeism. He also believes that under existing legal precedents "there's a strong case to be made that social media censorship violates the Constitution."¹¹

The 2008 Financial Crisis

It should be no surprise that Wall Street and corporate America like Big Government. In the 2008 financial crisis Big Government bailed out Wall Street, banks and auto companies. The financial crisis was a consequence of federal housing policy, which encouraged banks to make loans to low-income people who were poor credit risks. Wall Street firms thought they could protect themselves by selling the loans in securitized bundles of "safe" and less-safe loans. As the market crashed, the federal government stepped in to rescue Wall Street.

When the financial crisis hit, the federal government took over the giant privately owned government-sponsored home mortgage buyers Fannie Mae and Freddie Mac. The investment bank Bear Stearns collapsed and was acquired by JPMorgan Chase with the help of a Federal Reserve guarantee. The investment bank Lehman Brothers was allowed to fail, while Merrill Lynch, Wachovia and the assets of the insolvent Washington Mutual Bank were acquired by other entities in rushed sales pushed by the government. The mammoth insurer American International Group accepted an \$85 billion federal bailout which gave the government a 79.9% stake in the company. Goldman Sachs and the embattled Morgan Stanley, the last two independent investment banks standing, became bank holding companies subject to greater regulation by the Federal Reserve and with access to Federal Reserve funds. Citigroup was bailed out with a package of federal guarantees, funding access and capital.

As the crisis worsened, the Treasury Secretary under President George W. Bush, Henry Paulson, a former CEO of Goldman Sachs, pushed Congress to enact the Troubled Assets Relief Program (TARP), which included bailouts for the financial industry and the auto industry. TARP was used to take an ownership position in the big banks so they could write off bad loans. As General Motors hit the skids, the Obama administration invested another \$30.1 billion to become its majority shareholder. In the case of Chrysler, the government restructured the company with the United Auto Workers Union getting 55 percent ownership; Fiat, 35 percent; and the rest held by the U.S. and Canada.¹² The union received preferential treatment compared to other creditors.

The federal government later recouped many of its loans and investments in distressed corporations, but the precedents had been set. The lesson of the 2008 financial crisis was that *firms considered too big to fail may be rescued by the U.S. government*. No wonder big corporations like big government.

Big Pharma and Big Sports

The financial crisis also facilitated Barack Obama's election to the presidency, ushering in his project to move the United States leftward. In 2010, Obama signed into law the Patient Protection and Affordable Care Act (ObamaCare). Major beneficiaries of this legislation were big pharmaceutical companies, hospital associations and big business. The drug lobby, Pharmaceutical Research and Manufacturers of America, spent more than \$26 million in 2009 advocating for the measure. Support for ObamaCare also came from General Electric, the American Medical Association, the American Health Association and unions. Why? Because each was eager to shift health care costs to the federal government. Corporate interests benefited in the short run from government expansion.

In 2021 the medical profession and the pharmaceutical companies, under government oversight, are medicating many millions of Americans with drugs that shape their daily behaviors, notably through the use of drugs to treat chronic conditions,

either physical or mental (e.g. depression, anxiety, panic, bipolarity, attention deficit disorder, gender "transitioning"). In 2018 Americans spent \$535 billion on prescription drugs, an increase of 50 percent since 2010. Americans' overreliance on opioids is well documented.¹³ Many drugs prolong life or relieve pain; others alter behavior or impair health in medically unnecessary ways. The sheer volume and dramatic increase of medications profitably produced by Big Pharma and paid for by the government deserve more independent scrutiny.

Vivek Ramaswamy perceives "a Big Pharma version" of wokeism, with "big-time pharma CEOs musing about topics like racial justice and environmentalism, and writing multibillion-dollar checks to fight climate change, while taking price hikes that they'd previously paused when the public was angry about drug pricing."¹⁴

End the Stadium Subsidies

Crony capitalism and "wokeism" are especially evident in professional sports.¹⁵ In the past, professional athletic leagues kept away from partisan politics. This all changed in 2017 when players in the National Football League began "taking a knee" during the playing of the national anthem. Then in March 2021, Major League Baseball (MLB) decided to move the All-Star game out of Atlanta in protest against Georgia's new voting law. The Georgia state legislature was Republican-controlled, and President Joe Biden stepped in to label the new voting law "Jim Crow on steroids."¹⁶ The new voting law was not racist, but MLB had formed a new corporate alliance with leftists. MLB bit the hand that feeds it, that is, state and local governments that had generously subsidized the building of huge stadiums. Tax-supported subsidies are based on an assumption that the enterprises benefiting from the subsidies are non-political and non-partisan.

Since the 1950s, professional sports owners have pressured cities and states to pay for their huge stadiums, often through tax-exempt municipal or county bonds and/or designated sales taxes. Sports teams assert that stadiums can revive deteriorating downtown areas or bring prosperity and development to suburban areas. Sports played in subsidized stadiums include baseball, football, basketball and hockey. Truist Park in Atlanta got \$400 million in public loans and subsidies; Milwaukee's Miller Park received \$500 million in public bond financing; in Minneapolis, Target Field got a whopping \$350 million in public funds paid through a county sales tax. These subsidies pale compared to the New York Yankees' new stadium, which cost the state and city \$800 million.

The National Football League (NFL) also relies on public subsidies. Of the 32 NFL franchises, only the New York Jets and the New York Giants play in privately funded stadiums. The Lucas Oil Stadium in Indianapolis cost \$720 million, with taxpayers picking up \$600 million through increased local taxes. In Atlanta, the Mercedes-Benz Stadium cost the taxpayers \$700 million through free land, subsidies and taxes.

The National Basketball Association plays in 30 arenas, of which 28 are subsidized. The public picks up 60 to 70 percent of the cost through subsidies and taxes for these arenas.

These subsidies allow sports franchises to pay astronomical salaries to their players. In 2019 NBA players received average compensation of \$8.82 million. Baseball players average \$4 million a year. These highly paid athletes become celebrities and feel free to preach to the fans about politics. Yet, publicly supported stadiums and arenas fail, contrary to owners' claims, to generate more income for local governments, and usually end up enriching wealthy owners of sports teams.¹⁷ Subsidies for professional sports should stop.

Resisting the Long March

The radical progressive agenda, having rooted itself in the Democratic Party, is now facing serious resistance from grassroots movements calling for the end of critical race theory indoctrination in schools, as well as for a crackdown on rising crime resulting from left-wing governance. Critical race theory indoctrination (and censorship of opposing views) is also taking place in large corporations, government agencies and the military. Corporate America and foundations have rushed to support the anti-police, anti-white, anti-family, Marxist Black Lives Matter organization since the death of George Floyd in police custody in May 2020.¹⁸ Nevertheless, the fight to retake America from the radical left has escalated since the 2020 election.

Ending critical race theory indoctrination and restoring law and order are winning issues against even the power and money of big corporations. And the latter are susceptible to consumer pressures. You can take your business to companies that don't insult your values.

Victories are being won by conservative grassroots activists and in the courts. Progress will be uneven, but faith in the founding principles, the Constitution and America's destiny is a mighty weapon.

- 1 For an in-depth description of this outlook, see Chris Hayes, *Twilight of the Elites* (2013).
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- 4 Brian Schwartz, "Wall Street Spent Over \$74 Million to Back Joe Biden's Run for President, Topping Trump's Haul," *CNBC*, October 28, 2020; Joseph Choi, "Wall Street Backed Biden Campaign with \$74 Million in 2020 Cycle," *The Hill*, October 28, 2020.
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- 7 Emma-Jo Morris and Gabrielle Fonrouge, "Smoking-Gun Email Reveals How Hunter Biden Introduced Ukrainian Businessman to VP Dad," *New York Post*, October 14, 2020; Shannon Bond, "Facebook and Twitter Limit Sharing 'New York Post' Story About Joe Biden," *National Public Radio*, October 14, 2020.
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- 11 Tunku Varadarajan, "Can This Man Put Wokeism Out of Business?" *Wall Street Journal*, June 26-27, 2021; Vivek Ramaswamy, "Trump Can Win His Case Against Tech Giants," *Wall Street Journal*, July 12, 2021.
- 12 Charles Gasparino, *Bought and Paid For* (2010); and Neil Barofsky, *Bailout: An Inside Account of How Washington Abandoned Main Street While Rescuing Wall Street* (2012).
- 13 See Gerald Posner, *Pharma: Greed, Lies, and the Poisoning of America* (2020).
- 14 Tunku Varadarajan, *Wall Street Journal*, op. cit.
- 15 Details of cronyism are found in James Piereson, "Crony Capitalism and Professional Sports," *The New Criterion* (April 2020).
- 16 John Haltiwanger, "Biden Backs Moving MLB All-Star Game Out of Georgia Over New Voting Law, Which He Called 'Jim Crow on Steroids,'" *Business Insider*, April 1, 2021. See also *Mindszenty Report* (May 2021).
- 17 James Piereson, *The New Criterion*, op. cit.
- 18 See *Mindszenty Report* (August 2020 and July 2021); and Christopher F. Rufo, "Battle Over Critical Race Theory," *Wall Street Journal*, June 28, 2021.

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